

# DATACOLOR AG

CORPORATE GOVERNANCE 2021



**datacolor** 

### GROUP STRUCTURE

#### Introduction

This corporate governance report describes the principles of leadership and control at the top organizational levels of Datacolor AG, in accordance with the Directive on Information Relating to Corporate Governance (DCG) issued by SIX Swiss Exchange AG as well as the guidelines and recommendations of the Swiss Code of Best Practice for Corporate Governance. Unless indicated otherwise, the information in this report for fiscal year 2020/21 is as at September 30th, 2021 or for the year then ended.

The information on Corporate Governance can also be retrieved under the following link:

<https://ir.datacolor.com/corporate-governance/>

#### Roles and duties of Datacolor AG

Datacolor AG as top holding company of the Datacolor Group manages Datacolor's business by means of objectives. Datacolor AG is involved in the planning process for the Datacolor Group and monitors adherence to the budget. Once the three-year plan and the budget have been approved by the Board of Directors of Datacolor AG, the Executive Committee acts on its own authority within the limits of the budget and the rules of competence. The Executive Committee is responsible for consolidation, financing, controlling, asset management and investor relations.

Datacolor AG is a public limited company under Swiss law with headquarters in Risch listed on SIX Swiss Exchange. The overview of shareholdings can be found in note 28 „Group entities“; the market capitalization is shown on page 2.

#### Strategy

Datacolor provides worldwide products and services to industrial as well as professional and hobby applications in the area of color measurement, color management, communication of color and color calibration. Datacolor's debt-free balance sheet enables it to achieve long-term growth targets while continuing organic growth and targeted acquisitions.

It aims to achieve significant growth by providing innovative hardware and software products, increasing market penetration, developing new markets, alliances and acquisitions. Its range comprises of products and systems solutions that are competitive in terms of quality, performance and ease of use. The products are tailored to customer requirements and able to offer a large potential for generating added value. Providing services for its products is a growing core activity.

Datacolor aims for market leadership in defined product categories as well as geographic markets and delivers its corporate performance through a flexible, lean and customer-focused organization. In this context, Datacolor limits the production depth to the strategically necessary. Taking into account the requirements of a public company, the aim is to pursue long-term goals with a stable shareholder base.

## EXECUTIVE BODIES

### Board of Directors of Datacolor AG

**Werner Dubach**, 1943, CH

Chairman, Board member since 1981  
Dipl. Ing. Chem. ETH Zurich  
MBA Wharton, University of Pennsylvania

Since 2009 Chairman of the Board, Entrepreneur Partners AG  
1981–2009 CEO and Chairman, Eichhof Holding AG

**Jvo Grundler**, 1966, CH

Deputy Chairman, Board member since 2017  
Dr. iur. University of St. Gallen  
LL.M. University of Cambridge

Since 2020 Deputy Chairman, Villiger Söhne Holding AG  
Since 2019 Board Member, Serto Holding AG  
Since 2017 General Counsel and Board Member, HIAG Immobilien Holding AG  
Since 2017 Of Counsel, Prager Dreifuss AG  
2002–2017 Ernst & Young Legal Services

**Hans Peter Wehrli**, 1952, CH

Board member since 2001  
Prof. em. Dr. oec. publ. University of Zurich

Since 2017 emeritus Professor of Business Administration, University of Zurich  
Since 2014 Board Member, Gebäudeversicherung Bern  
Since 1991 Board Member, Hårdi Holding AG  
2002–2020 Chairman of the Board, Swiss Prime Site AG  
1997–2019 Chairman of the Board, Belimo Holding AG

**Anne Keller Dubach**, 1956–2021, CH

Board member 2012–2021  
Lic. phil. I, University of Zurich  
SEP Stanford Graduate School of Business

2021 President, Kunsthaus Zurich  
1997–2021 Chairwoman of the Board of Trustees, Swiss Institute for Art Research SIK-ISEA  
2014–2020 Head Art, Swiss Re  
2007–2014 Head Corporate Citizenship, Swiss Re

**Thomas Studhalter**, 1969, CH

Board member since 2016  
MS in Business Administration, Swiss Certified Accountant, HWV Lucerne

Since 2021 CEO, BDO AG  
Since 2019 Board Member, Eisner Holding AG  
Since 2019 Board Member, Bataillard AG  
Since 2018 Board Member, Swiss Prime Site AG  
2014–2020 Member of the Regional Management Central Switzerland, Partner, BDO AG  
2007–2014 Head of the Central Switzerland region, Partner, KPMG AG

**Hanno Elbraechter**, 1980, DE

Board member since 2018  
European Business Program (EBP) Ecole de Management (ESC) de Bordeaux and University of Applied Sciences Münster

Since 2020 Board Member, Rudolph Research Analytical  
Since 2014 Head of Business Unit Technology, Member of Executive Committee, DKSH  
2004–2014 CEO Asia, Deckel Maho Gildemeister



Jvo Grundler, Anne Keller Dubach († 2021), Thomas Studhalter, Werner Dubach, Hans Peter Wehrli, Hanno Elbraechter

### Datacolor Executive Committee

**Albert Busch**, 1967, NL/USA

CEO  
BS & MS in Electrical Engineering, University of Ghent  
MS in Industrial Management, Catholic University Leuven

Since 2008 with Datacolor  
Since January 2009 CEO  
1991–2008 Management roles, NV Bekaert SA

**Philipp Hediger**, 1975, CH

CFO  
MS in Business Administration, University of Fribourg

Since 2018 with Datacolor  
2016–2017 COO/CFO and Member of Executive Management Team, Sequel  
2010–2016 CFO, Sequel  
2007–2009 Director Financial Reporting, Kofax Group

**Patrice Jaunasse**, 1964, FR

Vice President Sales and Support  
MS in Engineering, Electronics, Telecom and Computer, ESEO

Since 2012 with Datacolor  
2002–2011 General Manager and Sales Director EMEA, Tektronix  
1998–2002 President and Sales Director, Nettest Telecom Instrumentation

**Kevin Quinn**, 1977, USA

Vice President Consumer Solutions  
BA in Communications & Marketing, Loyola University Maryland  
MBA Business Administration, Sellinger School of Business and Management, Loyola University Maryland

Since 2020 with Datacolor  
2019–2020 H2Brands Group, Chief Product Officer  
2018–2019 Stanley Black & Decker, VP Sales and Marketing  
2005–2018 IDL TechniEdge, LLC, Co-Founder & VP Sales and Marketing  
2003–2005 Newell Brands-Amerock Division, Strategic Account Channel & Trade Marketing Manager

**Tae Park**, 1963, USA

Vice President R&D and Operations  
BS in Electrical Engineering / Biomedical Engineering, University of Pennsylvania

Since 2010 with Datacolor  
2007–2010 VP of Engineering-Operations, Power Medical Interventions  
2006–2007 Program & IP Manager, Kovio



Kevin Quinn, Philipp Hediger, Albert Busch, Patrice Jaunasse, Tae Park

## Board of Directors

### Elections and term of office

Members of the Board of Directors are elected by the Annual General Meeting of Shareholders for an individual term of office of one year. Newly elected members complete the terms of their predecessors. There are no limitations on terms of office.

### Internal organization

The Board of Directors is self-constituting. It appoints committee members and the secretariat.

### Duties

The Board of Directors is the supreme executive body of the Holding company. It adopts resolutions which determine the company's fundamental direction and oversees the work of senior management.

### Committees

The Board of Directors has established committees to support its work. The primary role of these committees is to prepare business affairs and oversee the implementation of Board resolutions. Furthermore, the Board of Directors may delegate the final handling of certain affairs to the committees, provided that delegation of such tasks is not prohibited by law. The Board of Directors has established two committees: the Finance and Audit Committee as well as the HR and Compensation Committee. Furthermore, the Steering Committee acts as a supervisory and control instrument.

- The Finance and Audit Committee prepares the financial plan, the budgets and the statements for submission to the Board of Directors. Amongst other things, it issues instructions and monitors the appropriation of liquidity and the execution of asset management operations.
- The HR and Compensation Committee drafts proposals for the compensation of the Board of Directors. It also submits proposals to the Board for appointments to the position of CEO and CFO. The Committee sets the fixed and variable components of remuneration for the top levels of management, taking into account the situation on the labor market, performance and achievement established targets. If the Committee deliberates on the remuneration of a member of the HR and Compensation Committee, this member shall withdraw from the proceedings.

Finance and Audit Committee: Werner Dubach, Thomas Studhalter, Albert Busch, Philipp Hediger (without voting right).

HR and Compensation Committee: Dr. Jvo Grundler, Hanno Elbraechter.

### Principles of operation of the Board of Directors and its committees

The Board of Directors meets as often as business requires, a minimum is though four times a year. Committee meetings are held in addition to Board meetings. Board

meetings usually last for between half a day and a day.

In 2020/21, the following number of meetings was held:

– Board of Directors	4
– Finance and Audit Committee	8
– HR and Compensation Committee	5

## Areas of competency

### Board of Directors

The Board of Directors represents the company externally and manages all company activities unless responsibility for these has been transferred to another company body in accordance with the law, the Articles of Association or other policies. The non-transferable and inalienable duties are governed in article 716a of the Swiss Code of Obligations.

Unless the law, the Articles of Association or the directives issued by the Board of Directors stipulate otherwise, the Board of Directors delegate the operational management of the company to the CEO, together with the authority to delegate associated tasks onwards. The company's Organization Regulation governs the breakdown of responsibility between the Board of Directors and the Executive Committee and can be obtained on the following website:

<https://ir.datacolor.com/corporate-governance/>

### Executive Committee

Executive Committee members are appointed by the Board of Directors.

### Information and control instruments vis-à-vis the Executive Committee

The Executive Committee informs the Board of Directors about the current status of the business, the consolidated balance sheet, the income statement and deviations to the budget on a monthly basis. On the occasion of the four meetings of the Board of Directors during the year, the Executive Committee reports on significant business transactions and on the results of the group-wide management of financial and operating risks.

Findings of the following bodies also contribute to the regular decision-making process:

- External auditor KPMG AG, Lucerne (auditor for Datacolor AG), which conducts its audit two times a year in accordance with Swiss law and Swiss auditing standards. External auditor meets with the Finance and Audit Committee minimum one time a year to discuss specifically relevant topics.
- Internal Audit and Risk Management, which monitors the existence and adequacy and permanently seeks improvements to the internal control system. Further, a systematic process captures strategic, operational and financial risk and develops and executes measures to mitigate and eliminate risks. Internal Audit is carried out at least once a year throughout the Datacolor Group, however, it is conducted on a topic-spe-

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cific and unit-by-unit basis. Further information can be found in note 15 on pages 31–32.

### Information on general blackout periods

The Board specifies generally applicable black-out periods in the context of the half year and annual financial statements. A blackout period applies to the board of directors, senior management and all persons who through their work gain insight into the preparation of the financial figures of the Datacolor Group: during a reasonable period of time before and after the publication of the half year and annual financial statements of Datacolor AG, the aforementioned persons must not trade in Datacolor shares. For other non-public information, ad hoc blackout periods may be determined by the board of directors, the chairman or the CEO.

### Permitted activities

The number of activities permitted for members of the Board of Directors and Executive Committee is governed by Art. 24 of Datacolor's Articles of Association. The Articles of Association can be obtained online on the following website:

<https://ir.datacolor.com/corporate-governance/>

## INFORMATION FOR INVESTOR

### Share capital

The share capital amounts to CHF 168 044 consisting of 168 044 registered shares with a nominal value of CHF 1 each. The registered shares entitle the holder to one vote at the General Meeting, provided that the shareholder is recorded with voting rights in the Datacolor AG share register.

### Authorized capital

There is no authorized capital.

### Conditional capital

The share capital can be increased by a maximum amount of CHF 16 804 (previous year: CHF 16 804) by issuing 16 804 registered shares with a nominal value of CHF 1 each. This conditional capital amounts to a maximum of CHF 16 804, which corresponds to 10% of the actual share capital.

### Changes in capital

In the reporting period and the two preceding periods the capital structure of Datacolor AG remained unchanged. Refer to the consolidated changes of equity and the statement of changes in equity of Datacolor AG.

### Participation certificates

There are no participation certificates.

### Limitations on transferability and nominee registrations

There are no limitations with regard to transferability and nominee registrations.

### Convertible bonds and options

Datacolor AG has no outstanding convertible bonds. Regarding options please refer to the Compensation report of Datacolor AG.

### Share listing

Datacolor AG's shares are listed on SIX Swiss Exchange Zurich under security number 853 104. See Information about Datacolor Share on page 2 for an overview of the stock market listing and details of the market capitalization.

### Legal status of shareholders

Shareholders in Swiss public limited companies are granted extensive statutory participation and protection rights by law. These participation rights are further supplemented by the company Articles of Association. These ensure that, pursuant to the Code of Obligations, the Annual General Meeting of Shareholders is convened by placing a one-time announcement in the Swiss Official Gazette of Commerce (Schweizerisches Handelsamtsblatt) and by sending a written invitation to the registered shareholders. An item is added to the agenda of the Annual General Meeting of Shareholders if the corresponding request is received no later than 40 days before the date of the meeting. Every shareholder may, besides the independent proxy provided for by law, allow his or her shares to be represented at the Annual General Meeting by a shareholder with a written proxy form.

### Voting rights limitations

Every shareholder entered with voting rights in the share register is entitled to vote - except for the shares of the Members of the Executive Committee in the blocking period. No new entries in the share register are made during the 22 days before the Annual General Meeting of Shareholders. There are no limitations on voting rights.

### Entries in the share register

The entry of purchasers in Datacolor AG's share register is not subject to any conditions.

### Cross-shareholdings

There are no cross-shareholdings.

### Shareholdings in companies

There are no shareholdings in listed companies. Percentage shareholdings in unlisted companies are disclosed on the page 37.

### Significant shareholders

Refer to Datacolor share information on page 2. Information on changes in ownership and voting rights can be found on the website of the Disclosure Office:

<https://www.ser-ag.com/de/resources/notifications-market-participants/significant-shareholders.html#/>.

There were no disclosures made during the reporting period.

**Duty to make an offer**

The company's Articles contain no provisions regarding a duty to make an offer.

**Clauses on changes of control**

There are no clauses on changes of control.

**Auditors**

**Duration of the mandate and term of office of the lead auditor**

Datacolor AG has appointed KPMG AG, Lucerne as auditor. In each case, the mandate is granted by Datacolor AG's Annual General Meeting of Shareholders for a period of one year. The mandate was first given to KPMG in 1992. The auditor in charge started the mandate in fiscal year 2020 /21. Rotation corresponds to the legal requirements of seven years.

**Audit fee**

KPMG received an audit fee of TUSD 215 for the reporting year 2020/21.

**Additional fees**

In addition to the audit fee, KPMG provided other services for TUSD 152 relating mainly to tax and customs consultancy services.

**Supervisory and control instruments vis-à-vis the auditors**

The Board of Directors holds at least two meetings a year with the auditor in charge of the mandate. The matters dealt with at these meetings include the planning and conduct of audits, the risks and controls of the Datacolor, the main points arising from management letters, the reports on special audits and the report of the auditor. The Board of Directors has appointed a Steering Committee to manage the audits and to monitor the implementation of the auditors' proposals. This Committee is made up of the Chairman, the CEO and the CFO of Datacolor AG and the auditor in charge of the mandate and meets regularly while audit work is being carried out. During the reporting period, three meetings of the auditors were held with the Board of Directors.

**Information policy**

**Publications**

Datacolor AG publishes a semi-annual report and an annual report in accordance with Swiss GAAP FER. Additionally, shareholders and the capital market are kept informed of current changes and developments through press releases. As a company listed on SIX Swiss Exchange, Datacolor AG is aware of its duty to disclose events relevant to its share price (ad-hoc disclosure of price-sensitive information). Information of the periodical financial reporting as well as ad-hoc news releases and further information on the Datacolor Group can be accessed through website under the following link:

<https://ir.datacolor.com/medien/>

**Key dates**

Shareholder's meeting	December 7, 2021
Semi-Annual report	May 6, 2022
Key Figures Annual Report	October 27, 2022
Annual Report	November 17, 2022
Shareholder's meeting	December 7, 2022

## **ADDRESSES**

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